

RESOLUTION AUTHORIZING THE ISSUANCE OF
CERTAIN PROJECT TEMPORARY LOAN NOTES IN
CONNECTION WITH URBAN RENEWAL PROJECT
NO. MASS. R-56 AND PROVIDING FOR THE
SECURITY FOR THE PAYMENT THEREOF, AND FOR
OTHER PURPOSES

WHEREAS the the Boston Redevelopment Authority
(herein sometimes called the "Local Public Agency") is duly authorized and proposes
to undertake and carry out a certain urban renewal or redevelopment project of
the character authorized by law with financial aid by the United States of America
(herein sometimes called the "Government") in the form of a Project Temporary Loan
under Title I of the Housing Act of 1949, as amended (42 U.S.C. 1450 et seq.),
which may be made by the Government to the Local Public Agency with respect to the
Project in accordance with a Contract for a loan and grant by and between the
Local Public Agency and the Government; and

WHEREAS, in order to enable the Local Public Agency to obtain such financial
aid, it is necessary for the Local Public Agency to authorize and, from time to
time, issue certain obligations as hereinafter provided:

NOW, THEREFORE, BE IT RESOLVED by the members

of the Boston Redevelopment Authority
as follows:

Section 1. That in order to provide funds to enable the Local Public Agency
to defray expenses and costs in connection with the undertaking and carrying out
of the Project, and to refund, renew, extend, or substitute for any Project
Temporary Loan Notes by this Resolution authorized to be issued, there are hereby
authorized to be issued, from time to time, Project Temporary Loan Notes of the
Local Public Agency in an aggregate principal amount outstanding at any one time
(whether authorized by this Resolution or any other resolution authorizing the
issuance of Project Temporary Loan Notes in connection with the Project) of not
to exceed Forty-One Million, Five Hundred Thirty-Two Thousand, Seven
Hundred nine Thousand and 00/100 Dollars (\$ 41,532,709.00).

Section 2. That each such note shall be designated "Project Temporary Loan
Note"; shall be payable, as to the principal thereof together with the interest
thereon, upon demand, but solely from the Project Temporary Loan Repayment Fund
hereinafter mentioned and not otherwise; shall be payable at the principal office
of the Local Public Agency in any coin or currency of the United States of America
which, on the date of the payment of the principal thereof and the interest thereon,
is legal tender for the payment of public and private debts; shall be payable to
the United States of America or order; shall be signed in the name of the Local
Public Agency by the Chairman;
shall have the official seal of the Local Public Agency impressed thereon and
attested by the Secretary;
and shall bear interest at the rate or rates as follows:

During the period from the date of the acceptance of delivery of and payment for each such note through June 30, 1971 (herein called the "Initial Loan Period"), said principal sum shall bear interest on the unrepaid amount thereof at the rate of four and three-eighths per centum (4-3/8 %) per annum. From and after said date each such note shall bear interest on the unrepaid principal amount thereof at the rate per annum (to be duly noted on behalf of the United States of America on the reverse thereof) which shall be initially determined and become effective on the expiration of the Initial Loan Period, and shall be redetermined at 5-year intervals thereafter, and become effective, with respect to said unrepaid principal amount, in accordance with the following formula: The redetermined rate shall not exceed six per centum (6%) per annum, but otherwise shall be the higher of:

- (a) The "going Federal rate" determined pursuant to the provisions of Title I of the Housing Act of 1949, as amended through September 2, 1964, and effective January 1 or July 1, as the case may be, following the expiration of the Initial Loan Period, or, in the case of subsequent redeterminations of the rate, the January 1 or July 1, as the case may be, constituting the fifth anniversary of the effective date of the latest redetermined rate; or
- (b) A rate per annum equal to the average yield to maturity on all outstanding obligations of the United States having a maturity from the May 1 or November 1, as the case may be, next preceding the date of the expiration of the Initial Loan Period (or, in the case of subsequent redeterminations of the rate, from the May 1 or November 1, next preceding the January 1 or July 1, as the case may be, constituting the fifth anniversary of the latest redetermined rate), of approximately 5 years, as determined by the Secretary of Housing and Urban Development upon the advice of the Secretary of the Treasury such average yield to be estimated on the basis of daily closing market bid quotations or prices for the month of May or November, as the case may be, next preceding the date of the expiration of the Initial Loan Period (or, in the case of subsequent redeterminations of the rate, for the month of May or November, as the case may be, next preceding the January 1 or July 1, constituting the fifth anniversary of the latest redetermined rate), and adjusted to the nearest 1/8 of 1 percent.

Section 3. That each such Project Temporary Loan Note issued, including a statement of the delivery thereof to the Government, shall be in substantially the form of "Exhibit A" attached hereto and made a part of this Resolution: Provided, That each Project Temporary Loan Note bearing a date subsequent to the expiration of the Initial Loan Period shall state on its face the applicable interest rate and shall define therein the term "Initial Loan Period" by use of a date which shall be the end of the pertinent 5-year period, both as authorized and as required by this Resolution.

Section 4. That there is hereby established a separate and special fund which is hereby designated the "Project Temporary Loan Repayment Fund; Project No. Mass. R-56", said Fund being elsewhere herein referred to as the "Project Temporary Loan Repayment Fund". Said Fund shall be maintained in a bank or banks which are members of the Federal Deposit Insurance Corporation. The following moneys shall be deposited in the Project Temporary Loan Repayment Fund as and when such moneys are received by the Local Public Agency:

- (a) The proceeds of all sales of Project Land by the Local Public Agency, excluding such proceeds as may arise from the sale of Project Land after such Project Land has been leased;
- (b) All moneys constituting compensation by the Local Public Agency for Project Land which it retains instead of selling or leasing, excluding the moneys which may arise from the retention of Project Land after such Project Land has been leased;
- (c) All payments which are made by the Government to the Local Public Agency on account of the Project Capital Grant;
- (d) All moneys which may be provided by the Local Public Agency from sources other than the Government or from the proceeds of a Project Definitive Loan, if any, to compensate the Project Temporary Loan Repayment Fund for the fair value imputed to Project Land which is leased by the Local Public Agency rather than sold by it for cash;
- (e) All such Local Grants-in-Aid in the form of deficiency cash grants as, after the Gross Project Cost and the Net Project Cost have been determined and the payment of all costs comprising Item 1 of Gross Project Cost has been duly made or provided for and all other Local Grants-in-Aid applicable to the Project which have been provided have been determined, are provided with respect to the Project to meet the deficiency, if any, in Local Grants-in-Aid in connection with the Project;
- (f) All accrued interest, if any, which is paid to the Local Public Agency on Project Temporary Loan Notes at the time when the Government takes up and pays for such Project Temporary Loan Notes;
- (g) All income derived from the investment of moneys deposited in the Project Temporary Loan Repayment Fund; and
- (h) The unexpended balance, if any, remaining or belonging in the Project Expenditures Account after all costs constituting Item 1 of Gross Project Cost have been paid.

Section 5. That Project Temporary Loan Notes issued pursuant to the provisions of this Resolution shall, as to both the principal thereof and the interest thereon, constitute an exclusive first lien and charge upon the funds which, by the terms of this Resolution, comprise the Project Temporary Loan Repayment Fund; which Fund is hereby irrevocably pledged to the payment of the principal of and interest on such Project Temporary Loan Notes.

Section 6. That the Development Administrator is hereby authorized to file requisitions, together with necessary supporting documents, with the Government, from time to time as Project Temporary Loan or Project Capital Grant funds are required, requesting payments to be made on account of the Project Temporary Loan or the Project Capital Grant provided for in the said Contract for loan and grant, and to do and perform all other things and acts required to be done or performed in order to obtain such payments.

Section 7. That, when and as directed by further resolution or resolutions, the proper officers of the Local Public Agency shall prepare, execute, and deliver to the Government the Project Temporary Loan Notes hereby authorized and shall accept payment therefor from the Government.

Section 8. That the proceeds of the sale of all Project Temporary Loan Notes issued pursuant to this Resolution shall be deposited and disbursed only in accordance with the provisions of the Contract for loan and grant, unless otherwise approved in writing by the Government.

Section 9. That the Project (which is designated Project No. Mass. R-56 and is herein called the "Project") includes and consists of all undertakings and activities of the Local Public Agency in the Urban Renewal Area, in accordance with the Plan for the renewal or redevelopment of the Urban Renewal Area, for the elimination and for the prevention of the development or spread of slums and blight, and, to the extent contemplated by said Plan, involves slum clearance and redevelopment, the carrying out of plans for a program of repair and rehabilitation of buildings or other improvements, and the carrying out of plans for a program of code enforcement in the Urban Renewal Area.

Section 10. That the land area of the Project (herein called the "Urban Renewal Area") is situated within the City of Boston, County of Suffolk, and the boundaries of the Urban Renewal Area shall be as described in the Contract for loan and grant.

Section 11. That each of the following terms, when so used in this Resolution, shall, unless the context clearly indicates otherwise, have the meaning ascribed to it in this Section:

- (a) The term "Contract" means that certain document, a counterpart of which is now on file with the Local Public Agency, designated Contract No. Mass. R-56 (LG), naming the Local Public Agency and the Government as the parties thereto, and providing for a Project Temporary Loan, a Project Definitive Loan, and a Project Capital Grant to the Local Public Agency with respect to the Project.
- (b) The term "Plan" means the urban renewal or redevelopment plan referred to in said Contract for loan and grant.
- (c) The terms "Local Grants-in-Aid", "Gross Project Cost", "Item 1 of Gross Project Cost", "Net Project Cost", "Project Land", "Project Temporary Loan", "Project Definitive Loan", "Project Capital Grant", "Project Expenditures Account", "fair value", "land", and "redevelopment", and derivatives thereof, have the same meanings, respectively, attributed to said terms in the Contract for loan and grant.

Section 12. That this Resolution shall take effect immediately.